

Determinants of Angel Investment activity in Algerian Startups Ecosystem

محددات نشاط الاستثمار الملائكي في منظومة الشركات الناشئة الجزائرية

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Abstract:

This study aims to highlight the theoretical framework of angel investment in startups, and shed light on the landscape of angel investor in Algeria, it also examines the factors that may determine the dynamics and development of angel investment in Algerian startup's ecosystem, by analyzing several factors related to both the demand side represented by angel investors, and the supply side represented by startups.

Our main finding of this study indicates that there is steady development of Algerian startup's ecosystems, as for the determinant that may influence the landscape of angel investment in Algerian startup, we find that despite Algerian government effort to enhance startup's creation and encourage investment in these entities, through tax exemptions, financing facilities, several challenges remain, these include issues related to the business climate and the overall ecosystem of innovation and technology in Algeria; and that may limit angel investment activity.

Keywords: startup; angel investment; business climate; innovation; network opportunities.

JEL Classification : L 26, G24, L53, O31, D85 .

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الملخص:

تهدف هذه الدراسة الى تسليط الضوء على الإطار النظري للاستثمار الملائكي في الشركات الناشئة وابرار واقع الاستثمار الملائكي في الجزائر، كما تهدف هذه الدراسة الى تحليل العوامل التي قد تحدد ديناميكية وتطور الاستثمار الملائكي في الشركات الناشئة الجزائرية، وهذا من خلال تحليل عدة عوامل مرتبطة سواء بجانب الطلب المتمثل في المستثمرين الملائكيين وجانب العرض المتمثل في الشركات الناشئة. تشير النتائج الرئيسية لهذه الدراسة أن هناك تطورا مستمرا في منظومة الشركات الناشئة في الجزائر، أما بخصوص العوامل التي قد تؤثر على مشهد الاستثمار الملائكي في الشركات الناشئة الجزائرية يظهر على أنه على الرغم من جهود الدولة لدعم انشاء الشركات الناشئة وتشجيع الاستثمار في هذه الكيانات من خلال الاعفاءات الضريبية وتسهيلات التمويل، إلا أن العديد من التحديات لا تزال قائمة مثل مناخ الأعمال والمنظومة العامة للابتكار والتكنولوجيا في الجزائر، والتي قد تحد من نشاط الاستثمار الملائكي. **كلمات مفتاحية:** شركات ناشئة، الاستثمار الملائكي، مناخ الأعمال، الابتكار، فرص الشبكات.

تصنيفات JEL: D85 , O31 , L53 , G24, L26

1. INTRODUCTION

Algerian startup ecosystem has witnessed significant growth in recent year driven by government initiatives, through regulatory frame work like act of startup in 2020(JOPRADP article 69 finance law 2020, 2019), despite that efforts many Algerian startups struggle with securing early-stage funding, especially regarding limited access to international investment (Hamza Zakaria, 2024)or local Non-governmental investment ,since that the funding of startup in Algeria relies heavily on banks loans and government grants ,we believe that non-governmental funding for startup trough investment like angel investment could further enhance the development of startups in Algeria .

Angel Investment plays a crucial role in startup ecosystem by providing early-stage funding and strategic mentorship, networking opportunities and valuable industry expertise, to helps startups in their early stage(Rose, 2014), in general, angel investors are high-net worth individuals who invest their personal funds in exchange of equity, they play

a pivotal role in shaping the future of startups and national economies, through their contribution. In many economies angel investment serves as a driving force for a thriving startup ecosystem, which complements other funding sources such as venture capital, government grant.

In this study we aim to highlight the landscape of angel investment in Algeria also the determinants of angel investment activity in Algerian startup's through several factors (economic, regulatory, social and cultural and the availability of access to information. Etc.).

Problem statement:

We will try to answer the following fundamental question

What are the key factors that may determine the landscape and dynamics of angel investment in Algerian startup's ecosystem?

Sub-questions: we addressed as following

- what is the reality of angel investment activity in Algerian startups?
- what are the determinant factors of angel investment in Algerian startup; whether on demand side represented by angel investors or supply side represented by startup's ?
- what are the future prospects for angel investment in Algerian startup's?

Study hypothesis: In order to address the problem of study, the hypothesis was formulated as follows:

- Several factors influence angel investment in Algerian startup's.
- the maturity of startup's ecosystem, with incubators, accelerators, and government support influence angel investments.

Study objectives: This study aims to shed light on angel's investment activity in Algerian startup, and study the factors that may influence angel investment in Algerian startup; whether on demand side represented by angel investors or supply side represented by startups.

Study methodology: The study was designed based on the both descriptive and analytical approaches to investigate the factors that may influence angel investment in Algerian startups ecosystem.

Study plan: The research was divided into three main axes as following:

- Angel Investment Literature
- Landscape Of Angel Investment And Startup In Algeria
- Determinant of angel investment activity in Algeria

2. Angel investment literature: In this section, we will address the conceptual framework related to angel investors

2.1. Definition of Angel investors: Angel investors come with a variety of profiles and approaches, they are a mix of the working wealthy and retired rich, many of them have entrepreneurial background (Worrel, 2021); and we can refer to them as high net-worth, non-institutional, private equity investors, they usually seek to achieve a share of voting, income and ultimately capital gain and this is in return for their financial support, guidance and expertise (McKaskill, 2009, p. 02) which is very important for startup especially in light of the challenges it faces in early stage (Rameau, 14 juin 2006) although they seek to realize intellectual and financial reward. An angel investor typically takes a 10% to 25% share of business, and that ensuring founders retain control of their business. (British Business Bank, n.d.), on the other hand they tend to prefer an earlier exit; whether through a public offering or sale of the company to a larger firm (John W. Holiday, 2023).

2.2. Types of Angel investor: There are different types of angel investors, we can categorize based on various factors:

A. Organization structure: Angel investors structures are typically divided into:

- **Individual angel investor:** they are individuals invest directly through their personal holding in startup company, with no family relationships, they make their own investment decision and they are financially independent, even a complete loss of their investment would not negatively affect their overall financial situation, they invest with a medium- to long-term set time frame work (OCDE, 2011, p. 29).
- **Group angel investor:** they are individual angels joining together to evaluate, and invest in entrepreneurial ventures, or they form as business angel network BAN to facilitate match making between potential angel investors and entrepreneurs, they offer a large pool of capital and expertise, BAN does not decide which investors will invest in a deal so for that making decision can be slow. (OCDE, 2011, p. 30) Group angel investor may take the following structure:

-Angel network: doesnot make any investment or investment decision, but she provide a number of added value services to both angels and entrepreneurs such as investor/investment readiness, syndicationopportunities.(OCDE , 2011, p. 30).

-Angel association(federation):they emerging as trade bodies to support the development of the angel capital market, within the country to provides a collective voice for angel investor to policy makers, they support angel investment industry by raising awareness, sharing best practices developing local networks, offeringnetworking, opportunities, however they not invest as intermediaries themselves.(OCDE , 2011, p. 30).

B. profit preference factor:profit preference for angel investor's is classified into profit and non-profit types as following:

- **for-profit :**they usually investsin startups ,to achieves high potential reward, for that they take an active role to guide company , (OCDE , 2011) as for to angel investor they have multiple revenue streams such as consultancy services ,post-investment support ,education and training master classes(Sasakawa peace fondation & ANGIN , p. 24)
- **non-profit:** are usually spearheaded and funded by a public sector such as a government association, through grants that cover short-term operational costs (Sasakawa peace fondation & ANGIN , p. 24) ,

C. experience level: Experience level for angel investors can be categorized as follows:

- **Experienced angel :** an angel with direct experience in firm's industry with entrepreneurial experience can help with business development,recruitment, sales strategy ...etc.,so their experience and expertise can be invaluable help in developing business (Mckaskill, 2009, p. 12),so we can categorize them as active angel investor,entrepreneurial experience appears to have clear impacts on risk tolerance for that investor who were former entrepreneurs tend to invest relatively larger amount in each operation both in relation to their income and wealth(jean Redis, 2015, pp. 76-77) .
- **New angel:**they not have experience in industry in which its firm operates, their only contribution is finance, (Mckaskill, 2009, p. 12) and

have less involvement in the startup's operation as a passive angel investor.

D. investment approach: Angel investors typically adopt the flowing approach:

- **Latent angel investor:** are defined as those who have no invested capital in the past 12 month, although they likely have unvested knowledge in the process of reviewing potential investments (OCDE, 2011, p. 38).
- **Super angel investor:** the term has been used in U.S.A for years, and there is debate over whether super angel are distinct group or simply micro venture capital funds (OCDE, 2011, p. 38).

2.3.determinants of angel investments: limitations on business angel activity occur on the side of demand for investment project presented by business angels, as well as on the project presented by startup the supply side (Cegielska, 2020, p. 07)

2.3.1. Limitations on investment activity of business angels-demand side: (Cegielska, 2020, p. 07)

-Lack of capital from business activities (Cegielska, 2020, p. 8)

-Lack of knowledge, experience and competences in searching and conducting investments on private market.

-lack of tax incentive, diverse legal regulations and frequent change of law.

-lack of information available about business angels and lack of a single market for business angels, significant fragmentations of national and local ecosystem for start-up. (Cegielska, 2020, p. 8) and no exit strategy.

-lack of understanding of technology and startup potential arising from technology (Cegielska, 2020, p. 8) additionally to issues related to the protection of intellectual property and patents.

2.3.2. Limitations on investment activity of business angels on supply side: (Cegielska, 2020, p. 09)

-very high risk of venture failure (Cegielska, 2020)

-Lack of faith, motivation and trust in the founder (Cegielska, 2020)

-Lack of communication skills (Cegielska, 2020, p. 09), entrepreneurs appear to be able to increase their chances of receiving funding, if they are able to signal to potential investors that they are prepared, meaning they have thought the big picture and impact of their product or service and are able to

answer questions with confidence and without appearing defensive (Melissa S .cardon, 2016, p. 22).

-Lack of experience and business competence of the founders.

-High transaction costs and unrealistic project budget(Cegielska, 2020)

-very low investment value and t low-level rate of return (Cegielska, 2020)

-bad business models combined with a lack of business strategies and overpriced valuation and excessive focus on technical aspects (Cegielska, 2020)

3. Landscape of angel investment and startup in Algeria

In this part we shed light on realty of angel investment activity and the ecosystems of startups in Algeria.

3.1. Landscape of angel investment in Algeria: The landscape of angel investor in Algeria has been developing steadily and extremely slow rate, in fact there is no instances of angel funding have been recorded as a source of financing for startup, comparing with others funding alternatives such as incubators, venture capital or startups accelerators, wish have played a prominent role in supporting emerging startup in Algeria, wish these sources differ significantly in terms of the nature and scale of investment they provide, And there are some notable angel investor and networks operating in Algeria :

Casbah business angels :lunched in 2012 founded by CEOs from silicon valley and Algeria, as investor organization it serves as a platform where angel investors and entrepreneurs can collaborate on ideas , mentorships and investment opportunities, (CASBAH BUSINESS ANGELS , n.d.) the “pitching event” is an initiatives by this network of angel investors whichthey plays a dual role as collaborating with state institutions ,including the ministry of knowledge economy, and startups, Algerian universities and higher education institutions, in the same time collaborating with others investment networks such as MDBAN and European business angel EBAN(ZIAD, 2022)

Maghreb Diaspora business Angels Network MDBAN :A network angel investors from the Maghreb diaspora dedicated to investing and supporting startups originating from the Maghreb region their investment focuses on early-stage funding for startups targeting the Maghreb market (Bpifrance

Events , n.d.),MDBAN collaborates with others angel network as Casbah Business angels (ZIAD, 2022)

3.2.Landscape of startup's in Algeria: Algeria's startup ecosystem experiences a remarkable evolution in recent year, there is more than 5 000 startups have been registered at ministry, with 1100 obtaining the startup or innovation project label, with number of incubators increased from 14 to 60 between 2020 and 2023 across the nation (Algérie press service , 2023),the flowing table represent most important startups in Algeria, by funding in millions U .S dollars in 2022.

Table1.represent most important startups in Algeria, by funding in millions U. S dollars in 2022.

Startups	Funding value in millions U.S dollars
Yassir	217.69
General Emballage	55
Tem Tem	5.7
Kick Sport	0.31
Eurl LD AZOUAOU	0.15
Zawwali	0.1

Source: <http://www.statistica.com>, consult it on 05/02/2025

And the table 2 show the most 10 important startups through SR score which (sturtup ranking , n.d.)reflect startups importance on the internet and its social influence.

Table 2. Most 10 important startups through SR score

Rank	Startup	SR score	Rank	Startup	SR score
1	YASSIR	62,539	6	epay.dz	21,485
2	Legal doctrine	40,899	7	TalabaStore	20,516
3	Siamois QCM	38,998	8	Herd Academy	20,257
4	Zawwali	37,111	9	TKAWEN	20,100
5	MdinJdida	21,565	10	Lafirist	19,592

Source: www.startupranking.com, consult it on 26/01/2025

Through tables 1 and 2 it's clear that the startup's represent different industries like transport (Yassir, Tem Tem),e-commerce (Talabastore, Epay.dz) ,the high SR scores indicate strong local engagement (see table 2),

Yassir was ranked first place by 62,539 points from 100 points, which reflects high market presence and in same time she is most startup in Algeria that receive a large funding a proximately 217,69 million U. S dollars compared with others startups and that reflect the strong confidence if investor (see table 1) .

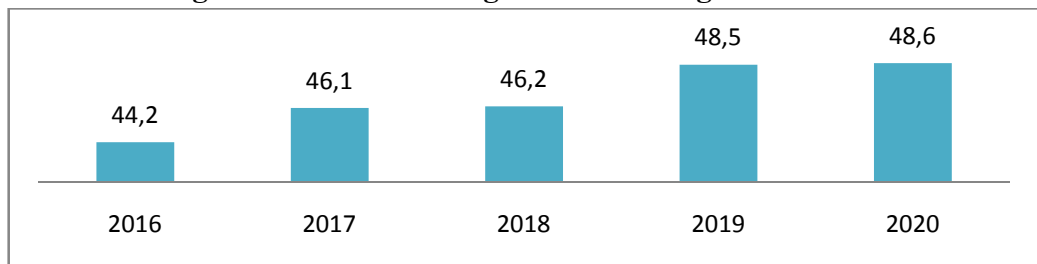
4.Determinants of angel investment activity in Algeria: The determinants of angel investment activity in Algeria depend on several factors as followeconomy, regulatory, social and cultural, access to information ...etc.

In this part we shed light on factors that may influence angel investment activitywhether forAlgerian startups or angel investor.

4.1.Investment landscape in Algeria: Given that angel investment represents a unique form of investment with specific characteristics previously mentioned, we will analyse the business and investment climate in Algeria

4.1.1. climate business and easy doing business: In 2020, Algeria obtained score of 48, 6 points in ease doing business index, ranking 157 in the world (world bank groupe, 2020) which is under of average despite that a slight improvement has been recorded during the period 2016 to 2020, as illustrated in figure1.

Fig.1.index of ease doing business in Algeria 2016-2020



Source:<https://www.statistica.com>, consult it on 12/01/2025.

Algerian climate businesses face a significant challenge, in terms of starting business, getting credit ...etc. as presented in table3.

Table3.Score and ranking of ease doing business index 2020 of Algeria

Topics	Score	Ranking
Starting business	78	152
Dealing with constructing permits	65,3	121
Getting electricity	72,1	102
Registering property	44,3	165
Getting credit	10	181
Protecting minority investors	20	179
Paying taxes	53,9	158
Trading across borders	38,4	172
Enforcing contract	54,8	113
Resolving insolvency	49,2	81

Source:world bank group, doing business 2020, economy profile Algeria, p04.

The ranking and score indicate a high-risk environment for angel investors,due to weak credit (score :10-rank:181), bureaucratic obstacle dealing with constructing permits (score :65,3-rank :121), despite that a few indicators could encourage investment as access to electricity which is crucial for startups especially in technology and manufacturing sectors.

The difficulty,challenges and obstacles that struggle startups growth to access funding due to these factors may limiting angel investor who prefers environments where startups can be easily established and starting business.

4.2. Tax incentives for creation and investment in startups via finance law: In this part we shed light on tax incentives for Algerian startups, whether in support startup's creation or investment in startups, using the flowing table we mention the most important incentives to support startups via Algerian law finance during the period 2020-2025.

Table 4.Presentation of Tax incentives for Algerian startups in finance law during the period 2020-2025

Law	Substance of the legal text
Law finance 2020	-Exemption of startups from corporate income tax and valued –added tax on commercial transactions (JOPRADP article 69 finance law 2020, 2019) that operate in field of innovation and new technologies to support them during the startup phase and ensuring their development (Algérien press service , 2019)
Law finance 2021	-Exemption enterprise holding label “startup” from professional activity tax and corporate tax for two years, starting from the date they obtained the label, equipment purchased by intuitions bearing the “startup” label is subject to customs duties at a rate 5% (Algerian press service, 2020) -Exemption from value added tax for the equipment purchased by these startups (esi, 2021)
Law finance 2022	-Companies holding label “startup” are exempt from the global income tax, or the corporate profits tax, as well as from the single lump-tax for a period of four year starting from the date of obtaining the “startup” label with additional year in case of renewal (JORADP article 117 finance law 2022, 2021)
Law finance 2023	-Intuitions that contribute to the capital of an entity bearing the label “startup” or “incubator” benefits from tax advantages. -Deduction of taxable income for invested Expenses incurred under open programs implemented with entities bearing label “startup” or business incubators within the limits of 30 % of the accounting profit without exceeding the ceiling of 200. 000. 000 DA (JORADP article 09 and article 11, 2022)
Law finance 2024	-Reduce taxes on business, including startups through the abolition of tax on professional activity TAP under law finance 2024(JORAPD -article 14 ,24,58 ,79 law finance 2024, 2023)
Law finance 2025	-Exemptions from property transfer fees for real estate acquisitions related to the establishment of industrial activities, company labeled “startup” or “incubator “ (JORADP, 2024)

Source:authors elaboration,depending on law finance of 2020,2021,2022,2023,2024,2025.

During the period 2020-2025 Algeria witnessed a series of legislatives and financial measures',aimed at supporting startups and promoting innovation whether trough tax exemptions, financing facilities support for research and development, investment Incentives in startup, administration and real estate facilitation support or business incubators.

These measures collectively aim to create a favorable environment for the growth and development of startups and in same time to create a more attractive environment for both local and foreign investors.

4.3. Innovation and technology ecosystem in Algeria: The level of technological innovation within startup ecosystem is a strong determinant, for that we investigate the reality of innovation and technology ecosystem in Algeria via most recognized index as following:

4.3.1.Global innovation index GII : according to the global innovation index report 2022 issued by WIPO (WIPO , 2022, p. 16), Algeria ranked 115 globally from 132 countries,advanced with (05 rank -16,7 points) compared to 2021;the flowing table represent evolution of Algeria rank through GII during period 2020-2022.

Table 05.Represent evolution of Algeria rank through GII during period 2020-2022

year	General index GII	In put	Out put
2020	121	111	126
2021	120	109	128
2022	115	110	118

Source: global innovation index report, 15thedition,2022, p16.

The flowing table represents the development of Algeria ranking through the composite index, which divide in two sub-indices, innovations inputs and innovations outputs during the period 2020-2022.

Table06. 2022 Algeria(rankingscore)through sub –index of GII output – input rank

In- put rank	Innovations in- puts				
Rank- score	Institutions (99-47,2)	Humans' capital and research (82-26,1)	Infrastructures (102-31,1)	Market sophistications (125-12,1)	Business sophistications (120-16,8)
Out- put rank	Innovations out-puts				
Rank- score	Knowledge and technology outputs (118-7,7)		Creatives outputs (109-5,7)		

Source:global innovation index report, 15th edition,2022, p16

Through the table 5 and table 6 , we illustrated that there is challenge face startups among limited market sophistications and infrastructures and that can create significant barriers for startups,for example weak infrastructure (rank:102- score :31,1) and limited accesses to ICT and reliable utilities discourage angel investors an hampers startups,the output sub-indices reflect a very poor score ,which indicate that Algeria struggles to translate In-puts innovations like humans capital and research into technological advancements .

4.3.2.Network readiness index NRI: Network readiness plays a crucial role in fostering an environment conducive to startups creation, and attracting investment that they prefers markets with strong infrastructures,for that we aim to explore and analyzeAlgeria situationconcerning this essential element, the flowing table represent Algeria rank and score among Network readiness (portulans instituie , 2024)

Table 7.Algeria rank and score among Network readiness

	Global index NRI 2024	Technology	People	Governance	Impact
Score	39,24	36, 32	40,24	41.07	39.34
Ranking	100	85	71	109	119

Source:Portland institute,network readiness index 2024 report,p85

As showing in the previous table 7 its looks that Algeria preforms relatively better in technology (score: 36,32 –Rank :85), compared to its overall rank,but still below global averages which indicate limited capacity to provide startups with advanced technological tools and connectivity,we can considering that people(score :40,24-rank :71) adoption of technology is relatively strong which they reflect a positive indicator and emerging market for entrepreneurial activity and talent .

Governance (score :41,07-rank:109) is one of weakest point reflect lack of robust regulatory frameworks, beside that low score in impact (score :39,34-rank:119) refers to limited contribution of ICT to economic and social transformation, for startups signifies a lack of opportunities to scale and limited economic returns on digital innovation.

In general Algeria NRI score indicates there is a significant progress and also gaps that need improvement to fostera startup-friendly ecosystem toattract angel investor and create startups.

4.4.Social and Cultural investment environment in Algeria: Study refers to that element like high level of trust may feel investors more confident, due to sharing information which is very important for angel investors to evaluate potential investment (Zhujun Ding, 2014)beside that investment decisions were influenced by investor cultural characteristics and trough study for (Ring, 2015) suggest that " a nation culture may influence the nation's level of entrepreneurial activity ".

for that in this part of study, our focus will be highlighting Algeria status among culture of investment in startup's which is predominately by Algeria government via implemented policies, which indicate tothe absence of the private sector in encouraging and investing in startup.

and it's also worth noting the inherited work culture among young people,which they relies on states to provides job opportunities,which this dependence may hinder creative initiatives and limits potential opportunities for innovation (لعجال، 2020)and it's also worth to mention Algerian experience among micro-enterprise with several dysfunctions were observed due to multiple violations,particularly the proliferation of factious projects and dominance of corrupt suppliers over public funds .

Despite that success stories like startup Yassir which is a transport service founded in 2016 that expanded across multiple countries, may highlight potential for startup in Algeria, and also may create suitable climate for communication between local and foreign entrepreneurs as angel investor to support startups in the future.

4.5.access to information: networks and platforms: it's important to find platforms to meet startups with investors, such as incubators and accelerators, beside that transparency and financial disclosure by startups help to attract angel investors, it's necessary to refer to implementation provided by Algerian government to create a platform and programs to help creating startup and in same time maybe offer opportunities for angel investor to connect with startups and create mutual benefits between them, and here some programs :

Algerian ventures: "first state –owned startup accelerators, dedicated to cultivating innovative ventures, it offers resources such as mentorship from industry expert, funding opportunities legal and administrative assistance" (A-venture , n.d.) .

University incubator: aims to provide mentorships, and support to students to be entrepreneurs and create their startup in future, and support an innovative project directly related to research ,(people's democratic republic of algeria ,ministry of higher education and scientific research, 2022)(Bpifrance Events , n.d.)

University accelerators: aims to determine the method of establishing, managing and performing the tasks of university business accelerators to help holders of mature innovative projects, and startup during their early stage to grow faster by providing set of specialized services consultations, professional consultations and incentive programs for a limited period 03-06 month (people's democratic republic of algeria ;ministry of higher education and scientific research, 2025, p. 02)

And also, there is non-governmental platforms and programs created by Algerian entrepreneurs like:

Algeria startup challenge: created since 2018 aim through its programs to create opportunities, and organized a national competition and also provide networks to build a successful business (ALGERIA startup challenge , n.d.)

IncubeMe: pan African incubator founded in 2018 by Algerian entrepreneurs, its offers advices, guidance and help startup to make strategic decision (incubeme, s.d.), and there is others platforms and programs like: Algerian center for social entrepreneurship (ACSE).

Algerian government creates programs and platforms to support startups in early stage and that may encourage local and foreign angel investor to invest in this supportive environment, which is constantly developing.

5. conclusion:

Through this study, we tried to shed light on the determinants that influence angel investment in Algerian ecosystem startup's, through several factors like climate business and investment in Algeria, and we explore the legal and regulatory frameworks, highlighting tax incentives that support startup creation and investment, furthermore we examine the innovation and technology ecosystem in Algeria.

Additionally, we explored the Algerian Social and Cultural investment environment providing insight on the mindset and behaviors shaping the entrepreneurial landscape, finally we shed light on the crucial role of access to information and networking opportunities, which serve to connect investors with startup founders.

Therefore, we will present the main results of the study as follows:

- Through shedding light on climate business and easy doing business in Algeria we find that climate business faces a significant challenge, in terms of starting business, getting credit,...and that may limit angel investor who prefers environments where startups can be easily established and starting business.

- Despite that, Algerian government work to improve startup's creation and encouraging investment in these entities, through tax exemptions, financing facilities, support for research and development, investment Incentives to create a favorable environment for the growth and development of startups, and in same time to create more attractive environment for both local and foreign investors.

- The ecosystem of innovation and technology in Algeria, is gradually developing, despite that still faces several struggles; especially to translate

In-puts innovations like humans' capital and research into technological advancements.

- Algerian inherited work culture and the absence of the private sector in encouraging and investing in startup, considered as factors influence startup's creation and investment in this latter, and we can refer to the idea that angel investors invest their personal funds in exchange of equity, may not find a positive response among startup's owners.

-Algerian governments' offers significant opportunities through expanding network of incubators, accelerators, and that may encourage local and foreign angel investor to invest in this supportive environment, which is constantly developing.

In general, we can conclude that there is steadily development of Algerian startup's ecosystems, and that should encourage angel investment activity in the future.

Recommendations:

Based on our main finding we will address following recommendation as follow:

-Algeria need reforms to improve access to credit, strength, and investor protection and simplify business processes and climate business.

-Providing legal and intuitions frames work and develop law to protect angel's investors and their investments.

-Create and strengthen existing networks of angel investors, to meet startup creators.

-enhancing transparent reporting of startup's to gain angel investment trust

-enhancing awareness about the benefits of angel investors.

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